

## CHAPTER 263

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**GOVERNMENT - STATE**

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## HOUSE BILL 21-1274

BY REPRESENTATIVE(S) Titone, Amabile, Bernett, Bird, Boesenecker, Cutter, Duran, Exum, Hooton, Jackson, Jodeh, Kennedy, Lontine, McCormick, Mullica, Ricks, Roberts, Valdez A., Young, Snyder;  
also SENATOR(S) Zenzinger and Hisey, Bridges, Ginal, Hansen, Jaquez Lewis, Kolker, Lee, Moreno, Pettersen, Priola, Simpson, Sonnenberg, Winter.

## AN ACT

**CONCERNING THE BENEFICIAL USE OF UNUSED STATE-OWNED REAL PROPERTY, AND, IN CONNECTION THEREWITH, DIRECTING THE DEPARTMENT OF PERSONNEL TO INVENTORY SUCH PROPERTY AND USE SUCH PROPERTY TO PROMOTE AFFORDABLE HOUSING, CHILD CARE, PUBLIC SCHOOLS, RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE, AND RENEWABLE ENERGY DEVELOPMENT.**

*Be it enacted by the General Assembly of the State of Colorado:*

**SECTION 1.** In Colorado Revised Statutes, **add** 24-82-102.5 as follows:

**24-82-102.5. Unused state-owned real property - cash fund - legislative declaration - definitions.** (1) (a) THE GENERAL ASSEMBLY HEREBY FINDS AND DECLARES THAT:

(I) THE STATE OWNS A SURPLUS OF REAL PROPERTY THAT IS NOT NEEDED FOR STATE USE THAT COULD PROVIDE BENEFITS TO COLORADO, INCLUDING FOR AFFORDABLE HOUSING, CHILD CARE, PUBLIC SCHOOLS, RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE, AND RENEWABLE ENERGY;

(II) THE DEPARTMENT OF PERSONNEL IS ALREADY AUTHORIZED IN SECTION 24-82-102 (2)(a) TO RENT OR LEASE REAL PROPERTY NOT PRESENTLY NEEDED FOR STATE USE;

(III) THE STATE HAS SET AMBITIOUS GOALS TO INCREASE RENEWABLE ENERGY PRODUCTION ACROSS COLORADO;

(IV) FAMILIES THROUGHOUT COLORADO CONTINUE TO EXPERIENCE A SHORTAGE

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*Capital letters or bold & italic numbers indicate new material added to existing law; dashes through words or numbers indicate deletions from existing law and such material is not part of the act.*

OF QUALITY AND AFFORDABLE CHILD CARE OPTIONS;

(V) THERE IS A CONTINUED NEED IN COLORADO FOR QUALITY PUBLIC SCHOOL FACILITIES;

(VI) THERE IS A CONTINUED NEED IN COLORADO FOR QUALITY RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES;

(VII) MANY SENIOR CITIZENS, VETERANS, AND OTHER HARD-WORKING COLORADANS ARE UNABLE TO AFFORD TO LIVE IN OR NEAR THE COMMUNITIES IN WHICH THEY WORK AND FAR TOO MANY COLORADANS PAY IN EXCESS OF HALF THEIR MONTHLY INCOME ON THEIR BASIC NEEDS;

(VIII) AS THE AVAILABILITY OF FINDING LAND SUITABLE FOR THE DEVELOPMENT OF AFFORDABLE HOUSING THAT CAN BE OBTAINED ON AN ECONOMIC BASIS IS OFTEN A SIGNIFICANT BARRIER TO THE DEVELOPMENT OF SUCH HOUSING, THE IDENTIFICATION OF UNUSED STATE-OWNED REAL PROPERTY, WITH THE ULTIMATE OBJECTIVE OF ASSESSING SUCH PROPERTY FOR ITS SUSTAINABILITY AND POTENTIAL USE FOR AFFORDABLE HOUSING, PROMISES TO BE A CRITICAL TOOL AVAILABLE TO THE STATE AND EVEN LOCAL GOVERNMENTS IN MEETING THE STATE'S HOUSING NEEDS FOR THESE SEGMENTS OF THE POPULATION; AND

(IX) SINCE REAL PROPERTY OWNED BY THE STATE ULTIMATELY BELONGS TO THE PEOPLE OF COLORADO, THE STATE SHOULD MAXIMIZE THE USE AND VALUE OF ITS RESOURCES, INCLUDING UNUSED REAL PROPERTY, TO ADDRESS THE NEEDS OF THE STATE'S POPULATION.

(b) BY ENACTING THIS SECTION, THE GENERAL ASSEMBLY INTENDS FOR THE DEPARTMENT TO CONDUCT A REVIEW OF STATE-OWNED REAL PROPERTY THAT IS NOT PRESENTLY USED FOR STATE PURPOSES AND TO TRANSPARENTLY ENTER INTO AGREEMENTS TO CONSTRUCT AFFORDABLE HOUSING, CHILD CARE FACILITIES, PUBLIC SCHOOL FACILITIES, RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES, OR RENEWABLE ENERGY PRODUCTION FACILITIES ON SUITABLE UNUSED STATE-OWNED REAL PROPERTY AND TO DETERMINE OTHER BENEFICIAL USES OF ANY SUCH UNUSED STATE-OWNED REAL PROPERTY.

(2) AS USED IN THIS SECTION, UNLESS THE CONTEXT OTHERWISE REQUIRES:

(a) "DEPARTMENT" MEANS THE DEPARTMENT OF PERSONNEL.

(b) "FUND" MEANS THE UNUSED STATE-OWNED REAL PROPERTY FUND CREATED IN SUBSECTION (5) OF THIS SECTION.

(c) "UNUSED STATE-OWNED REAL PROPERTY" MEANS STATE-OWNED REAL PROPERTY OWNED BY OR UNDER THE CONTROL OF A STATE AGENCY, NOT INCLUDING THE DIVISION OF PARKS AND WILDLIFE IN THE DEPARTMENT OF NATURAL RESOURCES AND NOT INCLUDING THE STATE BOARD OF LAND COMMISSIONERS OR ANY STATE INSTITUTION OF HIGHER EDUCATION AS DEFINED IN SECTION 24-30-1301 (18), THAT IS NOT OTHERWISE PROTECTED FOR OR DEDICATED TO ANOTHER USE SUCH AS AN ACCESS OR A CONSERVATION EASEMENT.

(3) (a) THE DEPARTMENT SHALL MAINTAIN AN INVENTORY OF UNUSED STATE-OWNED REAL PROPERTY AND SHALL POST A LIST OF THE INVENTORY ON ITS WEBSITE. THE INVENTORY MUST BE UPDATED ANNUALLY.

(b) THE DEPARTMENT MAY REQUEST THE LIST PROVIDED TO THE CAPITAL DEVELOPMENT COMMITTEE UNDER SECTION 2-3-1304 (3) AS A BASIS FOR THE DEPARTMENT'S INVENTORY, BUT THE DEPARTMENT SHALL INDEPENDENTLY ASCERTAIN THE INVENTORY FOR THE DEPARTMENT'S PURPOSES UNDER THIS SECTION.

(4) (a) THE DEPARTMENT SHALL DETERMINE WHETHER THE UNUSED STATE-OWNED REAL PROPERTY IDENTIFIED BY THE DEPARTMENT UNDER SUBSECTION (3) OF THIS SECTION IS SUITABLE FOR CONSTRUCTION OF AFFORDABLE HOUSING, CHILD CARE FACILITIES, PUBLIC SCHOOL FACILITIES, RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES, OR PLACEMENT OF RENEWABLE ENERGY FACILITIES, OR MAY RECOMMEND THAT SUCH PROPERTY SHOULD BE SOLD OR IS SUITABLE FOR OTHER PURPOSES.

(b) IN DETERMINING THE SUITABILITY OF PROPERTY UNDER SUBSECTION (4)(a) OF THIS SECTION, THE DEPARTMENT MAY CONSULT WITH AND SEEK INPUT FROM:

(I) THE STATE ARCHITECT, OR THEIR DESIGNEE;

(II) THE EXECUTIVE DIRECTOR OF THE DEPARTMENT OF LOCAL AFFAIRS, OR THEIR DESIGNEE;

(III) THE COLORADO HOUSING AND FINANCE AUTHORITY CREATED IN SECTION 29-4-704 (1);

(IV) ANY RELEVANT POLITICAL SUBDIVISIONS OF THE STATE;

(V) ANY ADDITIONAL RENEWABLE ENERGY FACILITY EXPERTS;

(VI) ANY ADDITIONAL CHILD CARE, PUBLIC SCHOOL, AND MENTAL AND BEHAVIORAL HEALTH CARE EXPERTS; AND

(VII) ANY ADDITIONAL AFFORDABLE HOUSING EXPERTS.

(c) NOTWITHSTANDING ANY SECTION TO THE CONTRARY, THE DEPARTMENT MAY SEEK PROPOSALS FROM QUALIFIED DEVELOPERS TO CONSTRUCT AFFORDABLE HOUSING, CHILD CARE FACILITIES, PUBLIC SCHOOL FACILITIES, OR RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES, OR TO PLACE RENEWABLE ENERGY FACILITIES ON UNUSED STATE-OWNED REAL PROPERTY THAT THE DEPARTMENT HAS DEEMED SUITABLE UNDER SUBSECTION (4)(a) OF THIS SECTION. PROPOSALS MUST BE SOUGHT IN ACCORDANCE WITH THE "PROCUREMENT CODE", ARTICLES 101 TO 112 OF THIS TITLE 24.

(d) THE DEPARTMENT MAY ENTER INTO CONTRACTS WITH QUALIFIED DEVELOPERS FOR PROPOSALS TO CONSTRUCT AFFORDABLE HOUSING, CHILD CARE FACILITIES, PUBLIC SCHOOL FACILITIES, OR RESIDENTIAL MENTAL AND BEHAVIORAL HEALTH CARE FACILITIES, OR TO PLACE RENEWABLE ENERGY FACILITIES ON UNUSED STATE-OWNED REAL PROPERTY THAT THE DEPARTMENT HAS DEEMED SUITABLE

UNDER SUBSECTION (4)(a) OF THIS SECTION, SUBJECT TO AVAILABLE APPROPRIATIONS. BUDGET REQUESTS UNDER THIS SECTION MUST BE MADE THROUGH THE PROCESS ESTABLISHED IN SECTION 24-37-304 (1)(c.3); EXCEPT THAT, BUDGET REQUESTS UNDER THIS SECTION MAY NOT BE MADE THROUGH A REQUEST FOR A SUPPLEMENTAL APPROPRIATION. NOTWITHSTANDING SECTION 24-82-102 (2)(a), CONTRACTS BETWEEN THE STATE AND QUALIFIED DEVELOPERS MAY NOT REQUIRE IMPROVEMENTS CONSTRUCTED ON STATE PROPERTY FOR THE PURPOSES OF THIS SECTION TO BECOME THE PROPERTY OF THE STATE UPON TERMINATION OF A LEASE FOR SUCH PROPERTY.

(e) IN THE EVENT THE DEPARTMENT PLANS TO ENTER INTO A CONTRACT REGARDING ANY UNUSED STATE-OWNED REAL PROPERTY AS AUTHORIZED BY THIS SECTION, OR IN THE EVENT THE DEPARTMENT ENTERS INTO A LEASE OF UNUSED STATE-OWNED REAL PROPERTY AS ALLOWED UNDER SECTION 24-82-102 (2)(a), THE DEPARTMENT SHALL FIRST SUBMIT A REPORT TO THE CAPITAL DEVELOPMENT COMMITTEE THAT OUTLINES THE ANTICIPATED USE OF THE PROPERTY. THE CAPITAL DEVELOPMENT COMMITTEE SHALL REVIEW THE REPORTS SUBMITTED BY THE DEPARTMENT, MAKE RECOMMENDATIONS TO THE DEPARTMENT CONCERNING THE ANTICIPATED USE OF THE UNUSED STATE-OWNED REAL PROPERTY, AND APPROVE OR DISAPPROVE THE ANTICIPATED USE OF THE UNUSED STATE-OWNED REAL PROPERTY. THE DEPARTMENT SHALL NOT ENTER INTO A CONTRACT REGARDING UNUSED STATE-OWNED REAL PROPERTY OR LEASE UNUSED STATE-OWNED REAL PROPERTY WITHOUT THE APPROVAL OF THE CAPITAL DEVELOPMENT COMMITTEE.

(5) (a) THE UNUSED STATE-OWNED REAL PROPERTY FUND IS HEREBY CREATED IN THE STATE TREASURY. UNLESS OTHERWISE DIRECTED, THE STATE TREASURER SHALL CREDIT ALL PROCEEDS FROM THE SALE, RENT, OR LEASE, INCLUDING ANY LEASES ENTERED INTO UNDER SECTION 24-82-102 (2)(a), OF UNUSED STATE-OWNED REAL PROPERTY TO THE FUND. THE FUND ALSO CONSISTS OF ANY OTHER MONEY THAT THE GENERAL ASSEMBLY MAY APPROPRIATE OR TRANSFER TO THE FUND.

(b) THE STATE TREASURER SHALL CREDIT ALL INTEREST AND INCOME DERIVED FROM THE DEPOSIT AND INVESTMENT OF MONEY IN THE UNUSED STATE-OWNED REAL PROPERTY FUND TO THE FUND. ANY UNEXPENDED AND UNENCUMBERED MONEY IN THE FUND AT THE END OF A FISCAL YEAR REMAINS IN THE FUND. SUBJECT TO ANNUAL APPROPRIATION BY THE GENERAL ASSEMBLY, THE DEPARTMENT MAY EXPEND MONEY FROM THE FUND FOR THE PURPOSES SET FORTH IN THIS SECTION, INCLUDING FOR APPRAISALS, SURVEYS, AND PROPERTY IMPROVEMENT, AND FOR ANY OPERATIONAL COSTS TO ADMINISTER THIS SECTION.

**SECTION 2.** In Colorado Revised Statutes, 24-30-1303.8, **amend** (1)(a) as follows:

**24-30-1303.8. Governor's mansion maintenance fund - creation - report.** (1) (a) The governor's mansion maintenance fund, referred to in this section as the "fund", is hereby created in the state treasury. The fund consists of money earned from the operation of the governor's mansion, such as rental fees, AND ANY PROCEEDS FROM THE LEASE OF THE PARKING LOT ASSOCIATED WITH THE GOVERNOR'S MANSION PROPERTY, which money is credited to the fund by the state treasurer, and any other money that the general assembly may appropriate or transfer to the fund. ~~except that the fund balance may not exceed five hundred thousand~~

~~dollars at the close of any fiscal year.~~ The state treasurer shall credit all interest and income derived from the deposit and investment of money in the fund to the fund. Subject to annual appropriation by the general assembly, the governor's office may expend money from the fund for any operating costs for any governor's mansion activities and the department may expend money from the fund for controlled maintenance of the governor's mansion; except that the capital development committee shall review any appropriation requests for controlled maintenance and shall forward its recommendations to the joint budget committee.

**SECTION 3.** In Colorado Revised Statutes, 43-1-210, **amend** (5)(a)(IV)(A) as follows:

**43-1-210. Acquisition and disposition of property - department of transportation renovation fund.** (5) (a) (IV) (A) If the abutting owner or underlying fee owner refuses to exercise the first right of refusal to purchase or exchange the property or interest therein under ~~subparagraph (III) of this paragraph~~ (a) SUBSECTION (5)(a)(III) OF THIS SECTION or if the department determines that such property or interest is of use to more than one owner or potential owner, any political subdivision of this state including but not limited to any state agency, city or town, or county located within the boundaries of the property or interest therein shall have first right of refusal to purchase or exchange such property or interest at the fair market value. DURING THE FIRST RIGHT OF REFUSAL PERIOD, THE DEPARTMENT OF PERSONNEL, AS PART OF THE PROCESS DESCRIBED IN SECTION 24-82-102.5 (4)(a), MAY DETERMINE THAT THE PROPERTY BEING OFFERED FOR SALE BY THE DEPARTMENT OF TRANSPORTATION COULD BE USED FOR AFFORDABLE HOUSING, CHILD CARE, OR PLACEMENT OF RENEWABLE ENERGY FACILITIES, IN WHICH CASE THEIR RIGHT OF FIRST REFUSAL SUPERSEDES THE RIGHT OF ANY OTHER POLITICAL SUBDIVISION OF THE STATE.

**SECTION 4. Act subject to petition - effective date.** This act takes effect at 12:01 a.m. on the day following the expiration of the ninety-day period after final adjournment of the general assembly; except that, if a referendum petition is filed pursuant to section 1 (3) of article V of the state constitution against this act or an item, section, or part of this act within such period, then the act, item, section, or part will not take effect unless approved by the people at the general election to be held in November 2022 and, in such case, will take effect on the date of the official declaration of the vote thereon by the governor.

Approved: June 18, 2021